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Counsel for Scott Sheffer

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	
In re:	:
	:
Lehman Brother Holdings Inc., et al.,	:
	:
Debtors.	:
-----X	

Chapter 11
Case No. 08-13555 (JMP)
(Jointly Administered)

**SCOTT SHEFFER'S RESPONSE IN OPPOSITION
TO THE DEBTORS' ONE HUNDRED EIGHTY-FIFTH OMNIBUS
OBJECTION TO CLAIMS (COMPOUND CLAIMS)**

Scott Sheffer ("Mr. Sheffer"), by and through his undersigned counsel, hereby respectfully submits this response in opposition to the Debtors' One Hundred Eighty-Fifth Omnibus Objection to Claims (Compound Claims) (the "Claim Objection") filed by Lehman Brothers Holdings, Inc. and its affiliated debtors in the above-referenced chapter 11 cases (collectively, the "Debtors"). In support of this response, Mr. Sheffer respectfully states as follows:

Argument

1. Beginning on September 15, 2008 (the “Petition Date”), the Debtors initiated voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

2. Mr. Sheffer entered into an employment agreement on March 13, 2008. The Lehman entity identified in the employment agreement was Lehman Brothers, Inc.

3. On January 12, 2009, Mr. Sheffer filed a timely proof of claim in the amount of \$1,272,115.40 against Debtor Lehman Brothers Holdings Inc.

4. On or about September 6, 2011, the Debtors filed the Claim Objection. With respect to Mr. Sheffer’s claim, the Debtors allege that Mr. Sheffer was not an employee of the Debtors but instead he was an employee of a non-debtor Lehman entity.

5. Upon information and belief, the Debtors and their related Lehman entities did not honor corporate formalities including, *inter alia*, with respect to Mr. Sheffer’s employment. Mr. Sheffer’s employment agreement references both non-debtor Lehman Brothers, Inc. and debtor Lehman Brothers Holdings, Inc. with respect to Mr. Sheffer’s equity awards which are governed by the 2008 Equity Award Schedule which, upon information and belief, applied to all employees of multiple Lehman entities including debtor Lehman Brothers Holdings, Inc.

6. Moreover, upon information and belief, in numerous transactions the debtor Lehman Brothers Holdings, Inc. has acted as an alter ego and control entity for Lehman Brothers, Inc. For example, debtor Lehman Brothers Holdings, Inc. has asserted that certain promissory notes given to Lehman Brothers, Inc. in return for advance bonuses by certain former senior executives of Lehman Brothers, Inc. are actually obligations owed to debtor Lehman Brothers Holdings, Inc.

7. The Debtors cannot have it both ways. The Debtors cannot not assert that it is the real party in interest with respect to certain employment matters involving Lehman Brothers, Inc. and on the other hand contend that they have no obligation on other employment matters. The Debtors are the appropriate party with respect to Mr. Sheffer's proof of claim.

Reservation of Rights

8. Mr. Sheffer specifically reserves his right to raise all arguments at the hearing on the Claim Objection and to support such arguments with all appropriate evidence. Mr. Sheffer also reserves the right to supplement this response upon the conclusion of discovery on this matter.

WHEREFORE, Mr. Sheffer respectfully requests entry of an Order:

- (A) Denying the Claim Objection with respect to Mr. Sheffer's claim; and
- (B) Granting such other and further relief as is just and appropriate under the circumstances.

Dated: October 12, 2011
New York, New York

DLA PIPER LLP (US)

/s/ Jason M. Karaffa
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CERTIFICATE OF SERVICE

I, Evelyn Rodriguez hereby certify that on this 12th day of October, 2011, the foregoing
Response in Opposition to the Debtor's One Hundred Eighty-Fifth Omnibus Objection to Claims
(Compound Claims) was served via first class mail, postage prepaid and through the Court's
ECF system, if applicable, to the following:

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/s/ Evelyn Rodriguez
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